

~~SECRET~~The Director of Central Intelligence
Washington, D.C. 20505

National Intelligence Council

NIC 03454-87
13 August 1987

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM: Deane E. Hoffmann
National Intelligence Officer for Economics

SUBJECT: Status of NSSD on Foreign Acquisitions

1. Action: None. This is for your information.

2. Alix Platt, NSC, told me this week that it appears certain the NSSD on foreign acquisitions will not be written because of disagreements within the policy community. State and Treasury strongly oppose development of investment guidelines. The compromise solution is for Commerce to draft a list of questions which should be answered with respect to foreign acquisition being reviewed by CIFIUS. I have not yet received a copy of the draft list.

3. Platt told me that Carlucci likely will call the Secretaries of Commerce, State, Treasury, and Defense to say that he believes a NSSD can not be written. Alix assured me that Carlucci also will call you before formally ending the NSSD process.

4. I believe the DCI should send a letter to Secretary Baker stating that the Intelligence Community should be represented formally in CIFIUS. As you are aware, we participated in the [redacted] discussions only because we demanded to take part. The letter, which I will draft, should be sent after the NSC decides formally not to draft the NSSD. For your information, I have since discussed this with LtGen Odom, and he agrees that we should seek a role in CIFIUS rather than press NSC to continue the NSSD process.

5. Lastly, Alix told me he will leave the NSC at the end of this month to join the law firm of Aken, Gump, Strauss, etc. (with a promise of partnership in two years). He will be replaced by Eric Melby, who is currently on Allan Wallis' staff. These changes have not been announced.

Deane E. Hoffmann
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